

In the United States  
Circuit Court of Appeals  
For the Ninth Circuit. 3

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RESEARCH PRODUCTS CO., LTD., a corporation, CALIFORNIA PRODUCTION Co., a corporation, HENRY BRANHAM, ARTHUR J. DIETRICK and ABRAHAM M. HERBSMAN,  
*Appellants and Defendants,*

*vs.*

THE TRETOLITE COMPANY, a corporation, and TRETOLITE COMPANY OF CALIFORNIA, LTD., a corporation,  
*Appellees and Plaintiffs.*

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APPELLANTS' REPLY BRIEF.

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**APPELLANTS' REPLY BRIEF.**

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For the sake of brevity, repeated statements of the same character in appellees' brief will be grouped together for answering under appropriate headings. The limitations of length of reply, however, will not permit an answer to all the points raised by appellee.

**Weight of Master's Findings.**

In appellees' brief, page 3, it is stated:

"Appellants badly misconceive the burden faced by them on this appeal."

Appellants fully recognize the character of the burden placed upon them but rest in the assurance that this Honorable Court has repeatedly and properly stated the scope and character of review of Master's findings as in the case of *Mills Alloys v. Stoodly Co.*, 94 Fed. (2d) 413.

We call the Court's attention to the order appointing the Master [R. p. 127] and particularly that portion reading:

"The report of said Special Master to be subject to full review as to all Findings of Fact and Conclusions of Law by the Court on exceptions duly filed."

### General Statement.

Appellees in the second paragraph on page 3, of their brief, deny the truth of a statement in our opening brief, page 6, quoting, however, simply a part of that statement. The statement as it appears in our opening brief reads that—

“Although the record is encumbered with extensive analyses and with abstruse theories, *facts developed at the trial* permit determination of most of the technical questions involved by application of laws of merely elementary chemistry or by simple reasoning.” (Italics ours.)

The Master recognized this during the hearing of the case. [R. pp. 820-821.]

### Commercial Success Relied on by Plaintiffs.

Plaintiffs would have this Honorable Court adopt a generous attitude toward the patent in suit by reason of the commercial success asserted by the owners of the patent.

Although “Tret-O-Lite,” plaintiffs’ product, has been used in the oil industry, it is clear from the record that extensive sales must be credited to sales methods and to plaintiffs’ intimidation of oil producers by threats of patent litigation rather than to merit of plaintiffs’ product. [R. pp. 105-126.]

With regard to the patent in suit, the modified fatty acid, plaintiffs allege that Barnickel solved an old and long standing problem which others had come to conclude could not be solved. Plaintiffs used this same argument with respect to their prior water-softener patent, now expired and found not infringed by defendants.

Plaintiffs’ witness, Paul Paine, testified that he learned of the process of electrical dehydration for treating crude oil emulsions in 1911 or 1912. [R. p. 201.]

The president of the Petroleum Rectifying Company, the stock of which as well as that of the plaintiffs, Tret-O-Lite Company is held by the Petrolite Company, testi-

fied at the trial [R. pp. 857-58] that his company "had and has a great number of electric plants for the treatment of petroleum emulsions" and that as late as 1928 electrical dehydration was being used on 98% of all California oil requiring dehydration, and had been employed for treating over thirty-two million barrels of oil in the Mid-Continent field. Appellees in their brief, page 5, admit the present continued use of electrical dehydration:

"High voltage electric currents have been and are used with success on some oils, particularly of the kind produced in California."

The disclosures of the prior art demonstrate that the problem of separating emulsions had been solved before Barnickel's application for the modified fatty acid patent in suit.

In the case of *Republic Rubber v. G. T. Tire Co.*, 212 Fed. 170-172, the C. C. A. 7th Circuit, stated:

"Utility of a device and commercial success in exploiting it can not be used to resolve the doubt as well as to create it, else every useful and successful thing would be patentable."

See also the case of *McClain v. Ortmyer*, 140 U. S. 419, 35 L. Ed. 800, 803-4.

**Chemical Aspects of Patent.** (Appellees' Brief pp. 7, 9-13, 16, 17.)

Whether or not it is true, as stated by appellees on page 7 of their brief, that—

"defendants' chemical has water softening qualities," is immaterial. It was found that it did not have the property of being "capable of precipitating the alkaline earths present in the emulsion," as called for in the claims of the water softener patent involved.

The process of the patent in suit will not break *all* emulsions and although plaintiffs claim that Barnickel's improvement in the art over his prior water softener patent lies in being able to use smaller amounts for treatment, the fact remains that in his first patent, the sulfate patent

(long expired), is shown the same minimum proportion [Defts. Ex. W, Book of Exhibits, p. 436] as in his modified fatty acid patent.

In their reference to the parent material as “fatty material” instead of a fatty acid, as specified by the patent, appellees assume an unallowable breadth for the parent material and attempt thereby to include the parent glyceride of defendants’ agent, which, though a fatty material, *is not a fatty acid*.

In accord with his award in the interference proceedings of an acid substance—a sulfo fatty acid, Barnickel was required to limit his claims accordingly and was forced to exclude neutralized products therefrom. (App. Op. Br. pp. 56-61.) The scope of the coined term “modified fatty acid” in the claims cannot go beyond the acid stage.

#### Patent Invalid for Indefiniteness.

After appellees had given up trying to identify *their* agent by technical definition, they adopted the simple term, “Turkey red oil” which was commonly used in the industry and known to Barnickel long before he drew the specification for his modified fatty acid patent, and could have been used when he filed his application if he wanted to do so. Appellees thereby admit it was unnecessary for Barnickel to write his own dictionary. He had a well known term at hand for his use.

Barnickel never used the term “sulfuric acid” in his specification. His reference to “modified fatty acid” is shown by the Master as covering a much larger scope in his ruling that “It includes a large class of the products between fatty acids and *reagents*.” [R. p. 141.] (Italics ours.)

At the trial the terms “modified fatty acid” and “addition” and “substitution” products were used by appellees in accord with the definitions given by them in their answers to interrogatories and their testimony at the trial in lieu of that of the patent.

Plaintiffs and defendants differ in their understanding of the technical term “substitution product” used in the



patent. Plaintiffs contend that when a soap is formed by substituting the hydrogen of the carboxyl group of a fatty acid (*i.e.*, neutralization of a fatty acid) the product is not a substitution product. [R. p. 1071.] Defendants maintain that such product is a substitution product. [R. p. 647.]

If appellees actually believe that the case could be considered solely on the basis of the technical terms appearing in the patent, why would they first elect to identify their reagent by even more technical terms than found in the patent, and then revert to the simple term Turkey red oil available to Barnickel and also available to them at the start of the case?

Appellees (Appellees' Br. p. 25) make reference to the book by Wright and infer that sulfurized fatty acids are made by the action of sulphuric acid. This reference only shows such reagent as Turkey red oil and does not mean that sulfurized fatty acids are made by the action of sulfuric acid (App. Op. Br. p. 18). With all their available experts, plaintiffs could not produce a citation to a *preparation* which would show that sulfurized fatty acids *were made* by reaction with sulfuric acid.

Appellees say (Appellees' Br. p. 26) that chlorosulphonic acid may be called chlorosulfuric acid and infer thereby that chlorosulphonic acid and sulfuric acid are the same. This is not so. It is noted in plaintiff's Lewkowitsch reference (Exhibit 13) that a mixture of compounds is obtained with the use of sulfuric acid, whereas only the fatty acid, ricinoleo-sulphuric acid, in its pure state, is obtained by the use of chlorosulphonic acid.

The fact that many specifically different substitution and addition products can be made from fatty acid is detrimental to the patent unless it is shown that all different substitution and addition products will serve the purpose of the patented process. This was not done. When defendants showed that a number of derivatives of fatty acids or substitution and addition products would not treat the oil upon which plaintiffs had made their own tests,

involved in this suit, the burden of proof shifted to the plaintiffs.

Appellants were unable to find any reference in the Master's report to the twenty-three "modified fatty acids" to consist of 10 of unknown composition and 13 as being outside of the scope of the patent, as stated by the trial court. Plaintiffs have taken pains to attempt to explain this situation (Br. p. 24) but overlook the evidence to the contrary by their own expert. [R. pp. 1073-74; App. Op. Br. p. 13.]

It is herewith submitted that the evidence [R. pp. 768, 782] does not substantiate the finding of the trial court. The testimony of defendants' witness, J. B. Ruth (the representative of the Baker Castor Oil Co.), identified the ten products referred to, which were sent direct to Gooch Laboratories [Book of Exhibits, p. 431], by their labels *as castor oil* derivatives [R. pp. 778-782]. These were received in evidence under their designations. They were available for any test which plaintiff would care to make toward supporting their contention. That the Baker Company began marketing these materials since 1933 [R. p. 781], does not preclude the fact that such material could be produced prior to 1933 [Defs. Ex. T, Book of Exhibits, p. 429]. Appellees' statement (Br. p. 23) that "No reference to them can be found in any text book relating to oils and fats," is without foundation. No evidence was introduced in this respect.

Plaintiffs' argument that acetic acid is not a fatty acid repudiates their own authority. [Lewkowitsch, App. Op. Br. pp. 15-16; R. pp. 700-835.]

Plaintiffs cannot deny that the Examiner [Defs. Ex. B, Book of Exhibits, p. 373] gave acetic acid as an example of a *fatty acid*, when he pointed out calcium *acetate* as a salt of a fatty acid in his ruling on Ketones, and that this was so considered by Barnickel when he conformed to the Examiner's ruling by canceling "Ketones." [Defs. Ex. B, Book of Exhibits, p. 381.]

### Abandonment Mt. Vernon and Tanaha.

Appellees say that Barnickel at Mt. Vernon in 1914 conducted some experimental tests using a chemical product by reacting red oil with sulfuric acid, but that no attempt was then made to place such treating agent in commercial use because of the decided objection on the part of pipe line operators to the use of any chemical made with sulfuric acid. Barnickel, however, used caustic soda for making neutralized compounds in 1914 and prior thereto (See App. Op. Br. p. 23), therefore caustic soda was available for his neutralization of the red oil-sulfuric acid compound. It was not necessary for Barnickel to conduct experimental tests at Tanaha. These experimental tests had already been made in the laboratory in St. Louis and in Louisiana, and the objection of pipe line operators had been known for several years.

With respect to Barnickel's reduction to practice at Tanaha, it is evident (App. Op. Br. p. 24) that in the red oil used some sulfonation occurred in the preliminary processing of the grease and tallow and that additional sulfonation took place with the final addition of the 2% of concentrated sulfuric acid. Plaintiffs' witness, Harry W. Hamilton, testified [R. p. 1003]:

“Q. What gave it the reddish color?”

A. Principally I think the acid had something to do with discoloring it, the strong acid.”

Plaintiffs' expert, Dr. Morse, quoted the following from the book by Heermann [R. p. 1065]:

“Widely different substances are sold under the names of ‘Turkey red oil’ or ‘red oil.’”

The red oil used by Barnickel at Tanaha was red oil treated with sulfuric acid, in other words a Turkey red oil under plaintiffs' own definition.

There is nothing in the record to support plaintiffs' statement that in the manufacture of this red oil there was no sulfonation of the oil by sulfuric acid.

John Croft, a witness called by plaintiffs, testified [R. pp. 1155-1161] that Barnickel treated the Mt. Vernon

oil with a red liquid, which he took directly from the barrels that were shipped to him and that he pumped this red liquid gradually into the oil, while the oil was being circulated from one tank to the other. Appellees state (Br. p. 8):

“The (modified fatty acid) product was in liquid form,”

and that the water softeners were solids.

Barnickel stated that he used sodium oleate in regular operation of the plant at Tanaha, but he did not say that was the only agent he used. He also stated that before the plant was in regular operation he treated several barrels of oil with sulfo fatty acid in the proportion of 1/10 of 1% relative to the oil being treated [R. p. 906]. The evidence shows that even if only a few barrels of oil was treated with a sulfo fatty acid, this oil was sold.

Barnickel's amended preliminary statement alone is sufficient to show sales and commercial use of the modified fatty acid agent. Neither Barnickel nor Lehmann testified that the sale of the chemical was not begun until the early part of 1919. They only stated that it was not sold *in large quantities*.

While the Examiner may have implied that Barnickel did not adopt sulfo fatty acid in actual practice until after he learned of Don's successful tests in Oklahoma, he did not actually so find [R. p. 943].

With reference to Barnickel's prior public use (App. Op. Br. p. 20), plaintiffs argue that Barnickel's wording “since then” with regard to the date of October, 1914, for his reduction to practice and manufacture and sale of large quantities of chemical treating agent, does not mean ever since then.

It is apparent that if Barnickel or his attorneys had wished to convey the thought that “since then” was not to be taken as meaning “ever since then” they certainly would not have worded their phraseology as to leave doubt about the matter. In fact, Mr. Bakewell, attorney for

Barnickel in the interferences and attorney in this case, when called as defendant's witness, testified [R. pp. 860, 863]:

“By Mr. Brown: Mr. Bakewell, did you ever make this statement or declaration: *as to Barnickel's commercial reduction to practice, he shows that this was first done by him on a commercial scale at Tanaha, Okla., where he installed a plant for treating B. S. for the Mt. Vernon Oil Co. in February, 1914 [B. R. 61, 62, and contract with Mt. Vernon Oil Co. introduced at B. R. 63 and reproduced at B. R. 256]; and Barnickel shows [B. R. 63-64] that ever since October, 1914, he has continued to practice the invention the subject-matter of the issues in this interference on a commercial scale?*” (Italics ours.)

Mr. Bakewell, after identifying the brief shown him, admitted that he wrote the brief, which contained the above statement [R. p. 863].

Bakewell made the statement while the matter was fresh in his mind. No motion was made by plaintiffs to strike same from the record.

For acceptance of “memorandums” in interference proceedings see *Gasoline Products Co. v. Champlain Ref. Co.*, 86 Fed. (2d) 552, 558, 559.

### The Texas Company.

Barnickel testified in the interference [Defs. Ex. C, p. 11] that at the plant at Cushing in 1915 he used various formulas, including oleic acid. He did not say that he used Gold Dust alone. He also stated [R. p. 892] that in the winter of 1914 (which might and possibly would include 1915) he made a trip to Oklahoma to put in a plant for treating oil with sodium oleate, and while there treated a number of barrels with oleic acid alone, sulfo oleic acid, and a mixture of phenol, sulfuric acid and oleic acid. Barnickel here was referring to the 4,000-barrel plant for the Texas Company.

Appellees (Br. p. 32) have emphasized the omission from the quotation on page 22 of appellants' brief. The omitted portion only tells that "Gold Dust" was not satisfactory, but that with his "formulae", "the formulae which I had worked out, using oleic acid" and saponifying such formulae to make soap, was better than the simple soap, "Gold Dust". Here he did not enumerate the reagents he used, hence to find out what he did use Barnickel's testimony in the interference testimony was referred to and quoted on page 21 of appellants' brief, where he mentions "oleic acid alone, sulfo oleic acid, and a mixture of phenol, sulfuric acid and oleic acid". Soaps of these compounds just mentioned, according to plaintiffs' own contention, are agents of the modified fatty acid patent (Appellees' Br. pp. 45-6). Plaintiffs differentiate such soaps from Gold Dust by referring to the latter (Appellees' Br. p. 33) as a simple water softener or simple soap and state (Appellees' Br. p. 7):

"Many crude oil emulsions were encountered which could not be broken at all with a simple water softener [II, 501, 519]. A complete breaking of any emulsion was rarely obtained [II, 511-12, 518]."

**Suppression of the Invention.** (Appellees' Brief pp. 34-36.)

Appellees say that there is no evidence that Barnickel commercially employed his invention in secret at any time. The use of the sulfo oleic acid compound on the twenty barrels of oil in Louisiana, his admitted use of the compound at Tanaha in 1914, and at Cushing in 1915, was a public use, whether commercial or not.

### **Lack of Invention.**

**Felt Patent.** (Plaintiffs'—(Appellees') Ex. 63, IV. 201.)

At page 14 of appellees' brief is quoted a portion of an action by the Patent Office which states that the Felt patent "shows the use of a sulfo fatty acid for separating water from hydrocarbons". Appellees then state that

“Turkey red oil” is the substance mentioned in the Felt patent which the Examiner recognized as a sulfo fatty acid. The knowledge of the disclosures of the Felt patent was available to Barnickel when he applied for his patent, consequently, there was no invention in using Turkey red oil in the same art for removing water from petroleum emulsions.

On page 15 appellees’ statement that Barnickel discovered the power of Turkey red oil empirically as a result of tireless and persevering search, extending over many years, is not supported by the record. He knew of Turkey red oil for the purpose before he filed his application for the water softener patent. Nickel in 1913 suggested the use of Turkey red oil [R. p. 898] when Barnickel discussed his sulfuric acid agent with him.

### **British Patents to Lanza Et. Al.**

Appellees in their brief, page 37, now at least admit that what is stated in the Lanza patents to be treated is called an emulsion, and that the reagent stated for this purpose is called sulfo-oleic acid (a sulfo fatty acid).

Appellants reiterate that one reading that sulfo-oleic acid would separate the constituents of an emulsion would immediately turn to sulfo-oleic acid as a means of separating a crude oil emulsion. This shows lack of invention in view of the showing of these patents.

### **The Rogers Patent.**

Plaintiffs make no attempt to gainsay the fact that Rogers pointed out the sulfonic or sulfo-acid grouping, which plaintiffs say differentiates the fatty substances of their modified fatty acid patent from the fatty compounds of their prior water softener patent (App. Op. Br. pp. 34-35). Since the sulfo-acid grouping, which plaintiffs claim is new over their prior expired water softener patent, was disclosed by Rogers, it is submitted that under plaintiffs’ assertion of January 4, 1919, the effective date of their modified fatty acid patent, said patent is void for lack of invention (App. Op. Br. pp. 33-35).

### The Russian Patent to Berkgan.

As shown in appellants' opening brief, page 37, when the Master accepted the Berkgan patent in evidence, he stated fully his reasons for doing so over plaintiffs' strenuous objections. His remarks, about a year later (Appellees' Br. p. 38), do not remove the Berkgan patent from consideration.

Appellants, in their direct quotation from the article by Schmitz (Op. Br. p. 39), show the type of naphthenic acids, proposed by Berkgan for breaking crude oil emulsions, to consist of ordinary naphthenic acid with sulfo-acid derivatives.

Defendants' expert, Dr. Born, testified [R. p. 845] that he would have included the fatty acids in crude naphthenic acids, and showed that the crude petroleum acids contain various fatty acids by his quotation from page 1076 of the book by Ellis [R. p. 840].

As shown herein under the Rogers patent and as disclosed in appellants' opening brief (pp. 37-38) the disclosure of sulfo acid derivatives renders the patent in suit invalid for lack of invention.

### Applying Unpatented Chemicals to a Known Process Is Not Invention.

As stated in appellants' brief, pages 39-41, finding out which chemical material is best suited for the known process of breaking an emulsion is not invention, particularly if the chemical itself is not a new or patented material.

The plaintiffs now have available and employ, selectively, not less than 100 different compounds for treating different oils, and plaintiffs state: "It is still a fit-and-try test, \* \* \*" [R. p. 508].

When Barnickel applied for his modified fatty acid patent he stated [Def. Ex. "B", Book of Exhibits, pp. 311-13] that in treating petroleum emulsions, the surface tension of the emulsifying agent is destroyed by the addition of various chemical agents. The article by



Sherrick (Pltffs. Ex. 52, App. Op. Br. pp. 39-40) amplifies Barnickel's statement by showing that the chemist, with his knowledge of antagonistic colloids for breaking emulsions and of the various chemicals available, relies on his skill for obtaining the type of chemical material best suited for breaking and separating a particular emulsion to be treated. It is submitted that this is not invention and that the modified fatty acid patent is void for lack of invention.

### Anticipation.

#### The Rogers Patent.

Appellants have shown (Op. Br. pp. 33-34) that plaintiffs cannot have both dates of 1914 and 1919 as *the* "effective date" of Barnickel's modified fatty acid patent.

Plaintiffs realize that they are caught between two fires, that is, a date proper for evading the defense of abandonment and, on the other hand, a date that would remove the Rogers patent as an anticipation. The Master found, as shown in his report [R. p. 147]:

"For the purpose of this case it can be assumed that the reduction to practice was the filing of his application for patent."

Under defendants' discussion of abandonment it is shown that Barnickel's evidence refutes the testimony of Lehmann (president of the Tretolite Co.) that the alleged invention was "not publicly used until the year 1919". Barnickel's testimony was corroborated by Bakewell, called as a witness by defendants, in a manner which showed Lehmann's allegation of "not publicly used until the year 1919" as fallacious.

However, if the "effective date" be assumed as January 4, 1919 (Barnickel's filing date), then the Rogers patent, applied for January 26, 1918, is a valid reference and thereby anticipates the modified fatty acid patent under plaintiffs' Turkey red oil interpretation (App. Op. Br. pp. 33-36).

Although plaintiffs argue otherwise the fact remains that Rogers' sworn statement, filed April 25, 1918, in

connection with his application to his use of Turkey red oil (App. Op. Br. p. 36) was read into the record over objections by plaintiffs' counsel [R. p. 1090].

Furthermore, Barnickel, in his original claim 13 [Defts. Ex. "B", Book of Exhibits, p. 329; App. Op. Br. p. 35] classified sulfonic acids of mineral oil and their salts as derivatives of the fatty acids. These agents are specifically shown in the Rogers patent for separating crude oil emulsions.

Thus, according to plaintiffs' own contention and the Master's ruling as to the date of reduction to practice, the Rogers patent forms a complete anticipation of the modified fatty acid patent.

### **The Russian Patent to Berkgan.**

Having taken the position that Turkey red oil is the agent of their patent (Appellees' Br. pp. 14-15) and relying on equivalence in results rather than chemical structure for finding infringement [R. pp. 1128-1130], plaintiffs cannot escape the finding of anticipation on the same premise.

Plaintiffs' expert, Dr. Morse, quoted the following from the book by Heermann, entitled "Dyers Materials" [R. p. 1065]:

"Widely different substances are sold under the names of 'Turkey red oil' or red oil."

Appellants (Op. Br. p. 38) show the naphthenic acids of the Berkgan patent to be Turkey red oil in their reference to Defendants' Exhibit "BB" [Book of Exhibits, pp. 511-517], which comprises the statement by Lewkowitsch and the supporting reference thereto, the British patent to Petroff, No. 19,759, of October 29, 1913.

At the close of the hearing before the Master defendants were given permission to file a copy of the Petroff patent supporting the Lewkowitsch statement. This British patent was later filed [R. p. 1142] and included in the record on appeal under Defendants' Exhibit "BB" as stipulated [R. p. 1248]. Appellees (Br. pp. 39-40) now object to said Petroff patent in evidence.

Appellees (Br. p. 40) admit to the use of Petroff's reagent as a Turkey red oil and describe same in Petroff's words as "similar to soap manufactured from castor oil which has been treated with sulfuric acid (Turkey red oil), \* \* \*." They thus concur with Lewkowitsch.

As described herein under "Lack of Invention," the crude naphthenic acids, proposed by Berkgan [Defts. Ex. W-11, Book of Exhibits, p. 459], consist of ordinary naphthenic acid with sulfo acid derivatives, and are shown by defendants' expert, Dr. Born, to include fatty acids [R. pp. 840-845]. Plaintiffs, therefore, in their argument that naphthenic acids (proper) are not capable of sulfonation, must concede that the sulfo-acid derivatives in the naphthenic acids, obtained directly after the refining with sulfuric acid (Defts. Ex. W-18, pp. 14-15 of translation), are sulfo-acid derivatives of fatty acids.

The Berkgan patent (Defts. Ex. W-11) is therefore, according to plaintiffs' own theory and argument, a complete anticipation of the patent in suit.

### Double Patenting.

In our showing of double patening (Op. Br. pp. 41-46) we did not confine ourselves to sodium oleate specified in the water softener patent, as alleged by appellees (Br. p. 46). In fact, nowhere under double patenting in appellants' opening brief is "sodium oleate" mentioned.

Appellants have shown (Op. Br. pp. 44-46) that with plaintiffs contending the modified fatty acid patent includes neutralized products, salts or soaps, then plaintiffs must concede that "soluble soaps" in the water softener patent embraces the soluble soaps which they claim for their modified fatty acid, to-wit, Turkey red oil, monopole soap and iso soap, etc. (App. Op. Br. p. 45). Appellants also showed (Op. Br. p. 44) that Barnickel's testimony in the interference proceedings, with regard to a sulfo-fatty salt or soap of his water softener patent, was his admission against interest and thereby invalidates the modified fatty acid patent by reason of double patenting.

Furthermore, appellants (Op. Br. pp. 41-43) disclosed that the patent proper, *i. e.*, without the interpretation of the claims, including neutralized products, salts, etc., is invalid for double patenting by Barnickel's admission to sulfo-oleic acid as one of the agents of his prior water softener patent.

The addition to our citation (App. Op. Br. p. 43) from *Miller v. Eagle Mfg. Co.*, 151 U. S. 186, 38 L. Ed. 121, 128, quoted in appellees' brief, page 46, shows that plaintiffs' contention cannot apply.

Appellants have shown in their defense of double patenting (Op. Br. pp. 41-46) that the matter described in the modified fatty acid patent is *not* essentially distinct and separable from the invention covered in the water softener patent and that the patentee of both patents so admitted.

The modified fatty acid patent is therefore invalid by reason of double patenting.

### Non-Infringement.

Herbsman's frankness in testifying to knowledge of the Tretolite patents and that he was seeking an agent with which to compete with Tretolite negatives plaintiffs' argument that his was a flagrant example of deliberate appropriation of a patented invention. One would not seek information as to what a patent covers for the purpose of infringing it—only for the purpose of avoiding it, which Herbsman did.

Appellees attempt to dismiss the fact that they refused the request and offer of defendants to have the analysts of both parties carry out their determination together or in the presence of a referee or having an outside analyst appointed by the Master [R. pp. 754-759; App. Op. Br. pp. 50-52] by asserting that defendants urged the court at the hearing to accept defendants' methods of analysis instead of those of plaintiffs and that the court refused to do so. The record, pages 754-759 and 1209-1210, shows that what really did occur in this regard was the emphatic refusal by plaintiffs to have the question of analyses conclusively determined.

The evidence shows (App. Op. Br. pp. 48-53) that defendants' analyses should prevail for the showing of non-infringement.

Appellants have shown that castor oil is a glyceride and not a fatty acid and that their sulfonated castor oil is not a sulfonated fatty acid.

The patent specifies that the agent, "modified fatty acid", in which is included a sulfo-fatty acid, be obtained by a particular process, which though extremely indefinite in its breadth, is nevertheless limited to the extent to which it refers. First of all, is the requirement of a fatty acid; secondly, the necessity of a reagent to act upon that fatty acid; thirdly, the requirement that the product produced thereby retain the fundamental characteristics of the fatty acid and include substitution or additional products thereof.

Appellants have shown that their product, Hydrate 488, in no way conforms to the requirements of the patent in suit, and therefore does not infringe.

Appellees' allegation (Br. pp. 51-52) that defendant Herbsman admitted that the term "sulfo-fatty acid" is used to identify the mixture resulting from the treatment of sulfuric acid with the glyceride castor oil is incorrect. On the contrary, Herbsman testified that no modified fatty acid or sulfo-fatty acid is formed thereby [R. pp. 677-8].

Appellees' allegation by inference (Br. p. 52) that Monson isolated sulfo-diricinoleic acid from Hydrate 488 is in contradiction to the fact that he did not know what it even looked like [App. Op. Br. p. 52; R. pp. 472, 457].

Appellees' allegation (Br. p. 51) that the evidence offered by plaintiffs alleges Hydrate 488 a sulfo fatty acid is (see App. Br. pp. 48-64, 61) refuted in the cross-examination of plaintiffs' expert, Monson, as follows [R. p. 450]:

"By Mr. Brown: Can't you answer yes or no whether or not Hydrate 488 contains sulfo fatty acids as such?

The Master: He says no. That was answered in the negative."

### A Sulfonated Oil Does Not Infringe.

It will be noted that what is now claim 10 was originally claim 16 [Defts. Ex. B, Book of Exhibits, p. 337]. This does not state the use of a sulfonated oil.

Appellees (Br. p. 53) are *still unable* to show *where* in the file wrapper the Examiner made the ruling *stated by the Master* [R. p. 153] as follows:

“The file wrapper shows that claim 14 was cancelled because the Patent Office Examiner pointed out that it could be construed as covering sulfonated mineral oils.”

There is no such ruling in the file wrapper (Defts. Ex. B) and appellants are at loss to understand such unwarranted specific ruling of the Master.

Barnickel disclaimed a sulfonated oil (App. Op. Br. pp. 54-55). It makes no difference whether or not original claim 14 was rejected. It was cancelled after Barnickel had been educated through the interference proceedings to recognize that it did not define a novel patentable process.

Defendants' product, being a sulfonated oil, namely, a sulfonated castor oil, therefore cannot infringe the modified fatty acid patent No. 1,467,831.

### A Neutralized Product Does Not Infringe.

Appellees, in their effort to include salts, neutralized products, neutral products, etc., within the claims of the patent for finding infringement, are lost. They first say (Appellees' Br. p. 54):

“A salt is a neutralized product. It is elementary chemical knowledge that any acid is neutralized by reaction with a base. If the base is an alcohol (*i. e.*, organic in nature) an ester is produced. If the base is inorganic in nature a salt is obtained.”

and in the next breath appellees state (Br. p. 55):

“The Examiner was at loss to understand what constituted a neutralized product as distinguished from a salt.”

Since it is elementary chemical knowledge that a salt is a neutralized product there would be no reason for the Examiner to be at a loss to understand what constituted a neutralized product as distinguished from a salt.

A sulfo fatty acid, which has been neutralized, is not a sulfo fatty acid. The patent requires a sulfo fatty acid as such. The patent specification may include reference to an ester, salt or neutralized product, but these were cancelled from the *claims* and never reinstated. The claims must be read as they are, and defendants firmly maintain that plaintiffs cannot include a neutralized product, ester or salt, because of such cancellation (App. Op. Br. pp. 55-61).

Defendants' product, being a neutralized product, therefore cannot infringe patent No. 1,467,831.

### The Barber Case.

We agree that the *Carbice* and *Barber* cases go no further than ruling that a patent owner may not recover for contributory infringement, except when he is using his patent to restrain trade in an unpatented staple article of commerce. We have never taken the position, as alleged by appellees in their brief, that the sale of a common article of commerce for use in an infringing process may not be contributory infringement.

There is plenty of evidence in the present case to show that the patent in suit has been employed by the plaintiffs in the illegal manner of the *Barber* and *Carbice* cases. The filing of this suit is the best evidence that could be asked, because here the plaintiffs attempt to use the patent laws in support of their attempt to extend the monopoly.

Plaintiffs submitted considerable evidence as to how their business was conducted by *sales* of the *unpatented material* for use in practicing the process, but made no offer whatever of any evidence of granting or offering of a license. Any offer of evidence by the defendants that no license had been granted or offered would be of little value, as it would be merely negative evidence. Defendants would not know, of course, whether or not some license had been granted in territories with which they were not familiar.

Defendants never abandoned the defense. It was pleaded, evidence was offered to support the charge of illegal use of the patent, and the burden was then on the plaintiffs to show that they did use the patent legally. That the defendants did not *urge* the defense does not mean that it was abandoned, and defendants did not concede abandonment in their brief when they called the court's attention to the fact that the defense was not urged for the reasons stated. Defendants did except (No. 64) to the Master's recommendation that an injunction issue restraining the defendants from the acts found to infringe patent No. 1,467,831, and assigned error (15) to the court's denying defendants' petition to reopen the case on the decision of the *Barber* case. In any event, it was error on the part of the court not to reopen the case for reargument on a controlling decision by the Supreme Court filed after decision by the trial court, or even before decision following overruling of the exceptions to the Master's report.

It is submitted defendants should have the relief prayed for.

Respectfully submitted,

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